

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL COAST REGION**

STATUS REPORT FOR REGULAR MEETING OF DECEMBER 4-5, 2008

Prepared on October 28, 2008

ITEM NUMBER: 16

SUBJECT: ConocoPhillips Nipomo Creek Crude Oil Pipeline Release

DISCUSSION:

BACKGROUND:

In May 2003, ConocoPhillips discovered the presence of crude oil in the subsurface near Nipomo Creek on the Dana Adobe property. ConocoPhillips reported the release to San Luis Obispo County Environmental Health Services. The release was the result of a leak from a crude oil transport pipeline, formerly operated by Unocal and currently operated by ConocoPhillips. ConocoPhillips repaired the pipeline and investigated the extent of soil contamination in October 2005. A subsequent investigation in November 2006 confirmed the presence of petroleum hydrocarbons in groundwater. The Central Coast Regional Water Quality Control Board (Water Board) assumed oversight of the case in January 2007.

Subsequent investigations have sufficiently defined the extent of soil and groundwater contamination. The impacted area is roughly circular, approximately 300 feet in diameter, and extends from the source area on the east side of the creek, underneath the creek to the west side, as shown on Attachment 1. Sediment sampling indicated that petroleum hydrocarbons are not present in the creek bed but geologic cross-sections indicate contaminated soil could potentially be present as little as two to three feet beneath the current creek bed. A clay layer beneath the creek bed prevents contamination from entering the creek.

UPDATE

Water Board staff have required ConocoPhillips to submit a feasibility study and corrective action plan by December 19, 2008. In the plan, ConocoPhillips will discuss various options for site remediation and select the most appropriate method. For sites impacted with crude oil, there are usually only two viable remediation options: excavation or natural attenuation. Excavation would result in a severe, although temporary, disruption of the aquatic environment within the excavated area. Water Board staff contacted Melissa Boggs of the California Department of Fish And Game, who is familiar with the site, for an opinion as to whether excavation, with the unavoidable damage to the creek habitat, would be preferred to natural attenuation, with the potential for subsequent creek bed erosion and release of impacted soil into the creek. Ms. Boggs indicated that, without having seen a specific plan, Fish and Game generally prefers excavation of the contamination and restoration of the site.

Significant complications exist that would likely delay any proposed excavation. Ms. Boggs stated that the California Red-Legged Frog is present in the area. The U.S. Fish and Wildlife

Service has listed the California Red-Legged Frog as a threatened species. The presence of a threatened species will lengthen the permitting process, possibly by more than a year. There is also a potential for historical Chumash Indian sites within the excavation area. In spite of these complications, Water Board staff considers excavation as the preferred remedial alternative. Staff will make a final determination after thorough evaluation of the feasibility study and corrective action plan. Water Board staff has discussed the potential pitfalls of various remedial alternatives with ConocoPhillips and they will consider these in their proposed Corrective Action Plan. Water Board staff will provide additional information to the Water Board as part of public notification, if staff recommend approval of the Corrective Action Plan.

ATTACHMENTS

Attachment 1: Aerial photograph of site and surrounding area

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